

PUBLIC CONSULTATION REPORT CONUMA COAL RESOURCES LTD.

AMENDMENT #6 TO ENVIRONMENTAL ASSESSMENT
CERTIFICATE OF THE WOLVERINE MINE PROJECT

March 2020



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Introduction

Conuma Coal Resources Limited ('Conuma') is applying for an amendment to the Wolverine Mine Environmental Assessment Certificate (EAC) #M04-01, issued January 13, 2005.

This Public Consultation Report has been prepared by Conuma and is being submitted 14 days following the close of the public comment period on the Amendment Application, led by the Environmental Assessment Office (EAO), which ran from January 20, 2020 to February 19, 2020.

The Public Consultation Plan and all related documentation is available on the EAO's Electronic Project Information (EPIC) website:

<https://www.projects.eao.gov.bc.ca>

The activities described in this report may be inclusive of Indigenous groups or individuals; however, these activities are not considered part of the formal Indigenous consultation process. Consultation and communication activities specific to Indigenous consultation are described in the Project's Indigenous Consultation Plan, dated August 19, 2019, which is available on the EAO's EPIC website.

The Proposed Project

The Wolverine Coal Project ('Wolverine') is located approximately 25 km west of Tumbler Ridge, British Columbia (as shown in Figure 1). Wolverine is an open-pit coal mine comprised of a Coal Processing Plant, storage and load-out facilities; maintenance facilities; Tailings Storage Facility and waste dumps; a coal dryer; an explosives magazine; and a power line.

The following five amendments have been previously issued by the Environmental Assessment Office for Wolverine:

- **Amendment 1**—Issued April 11, 2006, included changes to facilitate increased annual production and coal processing capacity from 1.6 Mtpa to 2.4 Mtpa.
- **Amendment 2**—Issued May 30, 2007, transferred ownership of the EAC to Wolverine Coal Ltd., a wholly owned subsidiary of Western Canadian Coal Corp.
- **Amendment 3**—Issued February 1, 2010, to reflect a corporate name change from Western Canadian Coal Corp to Western Coal Corp, parent company of Wolverine Coal Ltd., and to amend condition 1 regarding Project modification.
- **Amendment 4**—Issued November 9, 2012, to update language regarding consent for transfer of the Certificate, to add "Certificate Holder" as a defined term, and to identify Walter Energy as the Certificate Holder.
- **Amendment 5**—Issued December 13, 2016, to reflect the new Certificate Holder Conuma Coal Resources Limited.

Project Overview

Conuma is proposing to expand the existing Wolverine Mine to include the Hermann Disturbance Area (HDA), which is a proposed open pit mine located approximately 16 km from the Perry Creek Pit and Coal Processing Plant. The expansion, referred to as the Wolverine-Hermann Amendment Project (the Project), will function as a satellite pit and infrastructure to the Wolverine Mine, providing additional reserves to extend the life of the Wolverine Coal Processing Plant (CPP) by seven years resulting in a total life of mine of 22 years. The Project has the potential to produce up to 9 million tonnes of metallurgical coal for sale in the export market at a production rate of approximately 1.0 to 1.5 million tonnes per annum (Mtpa). Conuma is proposing to increase the current production capacity of clean coal of 2.4 Mtpa, by 600,000 tonnes per annum to 3.0 Mtpa. The addition of the HDA will contribute a footprint of approximately 680 hectares (ha) to Wolverine Mine's 1,368 ha (approved under EAC M04-01), making a total footprint of 2,048 ha.

The main components of the Project that are discussed in the Amendment Application are:

- Hermann Pit
- Waste rock dumps
- Soil stockpiles
- Run of Mine stockpiles and truck load out
- Electrical power
- Water supply and sewage disposal
- Water management system (clean water diversions, contact water collection ditches and water treatment infrastructure)
- Office, dry and shop facilities
- Explosives Magazine
- Tailings storage facility—located near the Perry Creek Pit and Coal Processing Plant
- Coarse coal rejects to be stored in the mined-out Perry Creek pit.
- Transport along the existing 26 km Coal Haul road between Hermann Pit and the Wolverine Mine

The existing 26 km Coal Haul Road, which consists of portions of Mast Resource Road and Wolverine Forest Service Road (FSR), will be used to transport coal from the HDA to the Wolverine Mine Coal Processing Plant. Use of the existing coal haul road, including maintenance, transportation of personnel and materials to and from the HDA and hauling Run of Mine (ROM) coal from the HDA to Wolverine Mine Coal Processing Plant is assessed as part of this Amendment Application. Tenure for the coal haul road is held by Canadian Natural Resources Limited (CNRL) and CanFor and Conuma will secure road use agreements with these companies to engage in haul activities on the road under their existing tenure agreements.

Purpose of the Public Consultation Report

Pursuant to their Procedural Letter, Conuma is required to provide the EAO Project Assessment Lead with a Public Consultation Report that is consistent with the approved Public Consultation Plan on file for the proposed project. Section 9.4 of the Procedural letter states that Conuma must submit a Public Consultation Report to the Project Lead at the following times:

- 14 days after the close of the public comment period; and
- Any other time specified by the Project Lead.

The Public Consultation Report (PCR) includes:

- A summary of consultation with the public that Conuma has carried out;
- A description of the results and the activities outlined in the Public Consultation Plan; information, comments, concerns and questions received from the public with the scope of the EA and how the concerns were addressed; and
- Proposed next steps for public consultation activities.

Conuma developed a Public Consultation Plan to inform the public and stakeholders about the Project, solicit feedback and consider the feedback throughout the development of the Project. The Public Consultation Plan was designed to meet the following objectives:

1. Identify potential stakeholders and consult with these stakeholders about their interests and concerns regarding the Project.
2. Inform community, stakeholders and the public about the project and provide opportunities for input.
3. Gather community, stakeholder and public input, both within and in addition to the EAC amendment review process.
4. Report community, stakeholder and public input. Report out on the results of feedback and input received during consultation.
5. Consider community, stakeholder and public input and provide feedback on how that input will be incorporated into the EAC amendment and Management Plans developed during the permitting process.
6. Communicate opportunities for training, employment and business opportunities related to the project.
7. Meet regulator's public consultation requirements for the amendment.

Public Consultation Phases

The Public Consultation Plan divides consultation activities with community members, stakeholders, and the public into three phases.

Phase	Dates	Status
Pre-Application Engagement and Consultation Activities	August 2018 – November 2019	Complete
Amendment Application Review Engagement and Consultation Activities	December 2019 – February 2020	Complete
Post Amendment & Ongoing Engagement	March 2020 – Life of Project	On-Going

Pre-Application Engagement and Consultation Activities

As part of its existing Wolverine mine operations, Conuma regularly engages with the local governments, local communities and Indigenous groups. Prior to August 2018, these discussions were focused on a proposed expansion to the East Bullmoose pit after the Perry Creek pit was depleted. In discussions with Indigenous groups, concerns regarding impacts to caribou at East Bullmoose were raised. Conuma agreed to put the East Bullmoose permit application on hold and work to develop the HDA as an amendment to the Wolverine Mine EAC.

As part of Conuma's proposal to develop the HDA, Conuma met with local governments and stakeholders to discuss the EAC amendment required to the Wolverine EAC # M04- 01.

Specific engagement activities proposed during the pre-Application phase included:

- Presentations to local governments;
- Presentations to the Tumbler Ridge and Chetwynd Chambers of Commerce;
- Stakeholder meetings and project information to interested public stakeholder groups such as recreational users and naturalist groups;
- Advertisement in the Tumbler Ridge Lines notifying the public of the EAC amendment information;
- Direct correspondence, including e-mail, in-person discussions and phone calls to adjacent tenure holders;
- Newsletters;
- Project page on Conuma website;
- Community events such as local trade shows and the annual Chetwynd Chain Saw Festival; and
- Project information at Conuma's community office in Tumbler Ridge.

Conuma plays an active role in the communities in which they operate, approaching relationships with respect and integrity to maximize local benefits. Conuma Coal was awarded the Council of Mayors "Walk the Talk" award for 2017. The Mayors from Tumbler Ridge, Chetwynd, Dawson Creek, Taylor, and Fort St. John presented the award in recognition of Conuma's positive impact on the local region. Conuma has a community office in Tumbler Ridge staffed by local employees.

Amendment Application Review Engagement and Consultation Activities

Conuma committed to ensuring the Wolverine-Hermann Amendment Project Application contained the appropriate amount and type of information about the potential impacts of the Project as required by the EAO. The Application focuses on the potential effects of new and modified project activities and components that are not authorized by the Wolverine EAC and key valued components (VC). Conuma gathered information received from the public and stakeholder groups that may be impacted by the Project as well as possible ways in which those impacts can be avoided or mitigated.

Specific engagement activities proposed during the amendment Application review include:

- Open houses in Tumbler Ridge and Chetwynd;
- Presentations to local governments;
- Stakeholder meetings with interested public stakeholder groups such as recreational users and naturalist groups;
- Direct correspondence, including e-mail, in-person discussions and phone calls to adjacent tenure holders;
- Newsletter posted at the Recreation Centre and Libraries in Tumbler Ridge and Chetwynd;
- Project page on Conuma website with linkages to the EAO EPIC website;
- Advertisement in the Dawson Creek Mirror, Coffee Talk Express and Alaska Highway News to notify the public about the official public comment period and the Open Houses in Tumbler Ridge and Chetwynd;
- Scheduled community events in Tumbler Ridge and Chetwynd; and
- Project information at Conuma's community office in Tumbler Ridge.

Engagement efforts for the amendment were focused within the communities of Tumbler Ridge and Chetwynd which are the closest communities in proximity to the proposed project and communities in which many of Conuma's employees and contractors live. Public information was made available to audiences outside Northeast BC via the Conuma website.

The EAO held public comment period January 20, 2020 to February 19, 2020, with open houses in Tumbler Ridge and Chetwynd. Conuma participated in the open houses, prepared responses to public comments and prepared this public consultation report following the public comment period. During the amendment review, Conuma tracked and provided responses to issues and concerns raised by the public.

Post Amendment & Ongoing Engagement

Following decisions by the statutory decision-makers regarding the issuance of Amendment #6 and permits under the *Mines Act*, the *Environmental Management Act* as well as other required provincial authorizations. Conuma will continue to consult and engage with stakeholders and the public as the Project moves into the construction phase. Consultation and engagement activities may include, but are not limited to:

- Attend meetings with and deliver presentations to the District of Tumbler Ridge, the District of Chetwynd and the Peace River Regional District;
- Meet with and share project information with municipalities upon request;
- Provide opportunities through the Conuma website and community office to accept enquiries and receive information from community members;
- Participate in regional job fairs to share information about the Project;
- Make project presentations and attend meetings and community events with community members and organizations;
- Participate in the Murray River Aquatic Cumulative Effects Assessment Framework Steering Committee with Indigenous groups, the District of Tumbler Ridge and Regulators to discuss water quality management in the Murray River Watershed;
- Attend and present at the Annual Coal Forum held in Northeast BC;
- Continue to work with local community, business and natural resource organizations to contribute to regional initiatives through the Chambers of Commerce and other local organizations; and
- Implementation of construction and operational environmental management plans.

Identified Stakeholders

Conuma’s consultation plan was designed to reach stakeholders and the public. Regulatory bodies responsible for project approvals and permitting as well as local governments which may have an interest in the Project due to their proximity are identified below. Tenure holders that hold leases and/or licenses adjacent to the project have also been identified. Other stakeholders in the project area who may access or utilize commercial and recreation areas in and around the project have also been identified.

Stakeholders include:

Regulatory Agencies

- Provincial
 - B.C. Environmental Assessment Office (EAO)
 - B.C. Ministry of Energy, Mines and Petroleum Resources
 - B.C. Ministry of Forests, Lands, Natural Resource Operations, and Rural Development
 - B.C. Ministry of Environment & Climate Change Strategy

Local and Regional Elected Officials and Governments

- Local federal elected officials
- Local provincial elected officials
- Local and regional government staff, council and organizations
 - Northern Health
 - District of Tumbler Ridge staff and council
 - District of Chetwynd staff and council
 - Peace River Regional District staff and council

Tenure Holders

(Appendix A: Tenured Land Users with Interests Intersected by the Coal Haul Road or Overlapped by the HDA)

- Guide outfitters
- Trappers
- Mining companies
- Forestry companies
- Road users
- Commercial tenure holders
- CN Rail
- BC Hydro

Other Interested Groups and Organizations

- Businesses and business organizations
 - Chambers of Commerce
 - Local contractors
- Commercial and recreational stakeholders
 - Wolverine Nordic Mountain Society
 - Grizzly ATV Club
 - Ridge Riders Snowmobile Club
 - Tumbler Ridge Global Geopark
- Local emergency responders
 - BC Ambulance Service
 - BC Emergency Health Services
 - Tumbler Ridge Search & Rescue
 - E-Comm 9-1-1
 - Tumbler Ridge Fire & Rescue Services
 - Chetwynd Fire & Rescue Services
 - RCMP
- Community and resident groups
 - Chetwynd Seniors Association
- Post-secondary institutions and school districts
 - Tumbler Ridge Secondary School
 - Northern Lights College
- Local Rod & Gun or Hunting Clubs
- Environmental and naturalist organizations
 - Chetwynd Outdoors Society
 - Ducks Unlimited
- Other members of the public

Summary of Public Consultation

Conuma proactively engages with community members, stakeholders and the public to build and maintain constructive and mutually beneficial relationships and to maximize benefits of the Project. Conuma will continue to develop these relationships through transparent Project-related information sharing and timely, honest and accountable responses to questions raised. Conuma continues to be involved in the local community to better understand and integrate their priorities, feedback and concerns related to their operations.

The Wolverine-Hermann Amendment Application was accepted by the BCEAO for review on December 20, 2019. The Public Consultation Report describes the pre-Application and the Amendment Application Review Engagement and Consultation Activities phase of the EA process.

Consultation with the Public

Conuma maintains a Project webpage for the purpose of sharing current Project information on one platform. <https://www.conumacoal.com/wolverine-hermann-amendment-project>

The Project webpage includes updates on the Project, information regarding community and Indigenous engagement, contact information including telephone number and community office location, as well as a project map and links to the EOA EPIC site.

Conuma has developed community newsletters throughout the process. Newsletters were produced in September 2019 and January 2020 (example attached as Appendix B) during the Application Review Engagement and Consultation Activities phase. These newsletters were publicly posted in the libraries and community centers in Tumbler Ridge and Chetwynd, they were also distributed at community events that Conuma attended, printed and available at the community office and distributed electronically.

A newspaper article in the *Tumbler Ridge Lines* on December 12, 2019 also summarized the Wolverine Herman Amendment Project, and focused on the EA process with quotes for John Schadan, President, Conuma Coal Resources (see Appendix C).

On December 20, 2019, the EAO accepted Conuma's Amendment Application. Following that decision, Conuma made the Amendment Application available for viewing online or in person at the Tumbler Ridge Public Library and the Chetwynd Public Library. After consultation with the venues about the preferred format, Conuma supplied iPads loaded with the Amendment Application to both libraries for public use.

The Amendment Application has also been available on the EAO's EPIC website. <https://www.projects.eao.gov.bc.ca/>

As part of its operations, Conuma’s regularly attends community events to provide Project information and engagement with local residents. Some of the events attended include:

- Tumbler Ridge UNESCO Global Geopark Community Dinner
- Chetwynd Chain Saw Festival
- Tumbler Ridge Care Community Golf Tournament
- Northeast BC Coal and Energy Forum
- Chetwynd Harvest Festival

Consultation with Local and Provincial Government

Throughout the Amendment Application Review phase of the EA process, Conuma has continued to meet and communicate regularly with the District of Tumbler Ridge and the District of Chetwynd. Including a formal presentation to Mayor and Council in Tumbler Ridge and Chetwynd in December of 2019. Conuma also met with the Peace Ridge Regional District in January of 2020 and provided them with an update on the status of the Project.

Conuma also maintains and provides regular updates on Conuma’s operations at Wolverine to city and district staff. Provincial MLA Mike Bernier has also been kept apprised of Conuma’s Amendment Application and receives communications regarding the Project.

Consultation with Identified Stakeholders

Through regular and responsive email and phone communications, Conuma engages with overlapping tenure holders such as CNRL and Canfor as well as key community stakeholder groups like the Grizzly Valley ATV Club, Wolverine Nordic and Mountain Society and Global Geopark.

Baseline interviews were also conducted with the following key community stakeholder groups in July of 2019.

- Northern BC Tourism
- Grizzly Valley ATV Club
- Wolverine Nordic and Mountain Society
- Tumbler Ridge UNESCO (United Nations Educational, Scientific and Cultural Organization)
- Global Geopark

Public Comment Period

In accordance with the June 27, 2019 Procedural Letter, a 30-day public comment period was provided for by the Project Lead from January 20, 2020 to February 19, 2020. During this public comment 2 open houses were conducted during the public comment period – one in Tumbler Ridge and one in Chetwynd – to provide the public an opportunity to review the application. The open houses are discussed in detail below.

Newspaper Advertising

Conuma advertised the public comment period and open houses through advertisements placed in various local and regional newspapers. The advertisements included details on where the Amendment Application was available for public review and the date, time and location of the public open houses in Tumbler Ridge and Chetwynd. The EAO Project Lead provided direction on the content and format as required.

Publication	Date of Publication
Alaska Highway News	January 16
Dawson Creek Mirror	January 30
Chetwynd Coffee Talk Express	January 31

Conuma had also intended to advertise the public comment period and open house in the Tumbler Ridge Lines, however due to publication deadlines and limited publication dates for the Tumbler Ridge Lines, this was not possible.

On-Line and Social Media

Conuma maintains an active website for its operations in Northeast BC. For the Wolverine amendment, a dedicated project page was created on the Conuma website which provides information about the Project, including information, current Project status, public comment period information and links to the Project on EPIC.

<https://www.conumacoal.com/wolverine-hermann-amendment-project>

Conuma posted details about the public comment period and open house on a popular Tumbler Ridge community Facebook pages, the People of Tumbler Ridge and Tumbler Ridge Businesses.

Additional Notifications

Conuma provided notifications to its staff regarding the public comment period through on-site briefings at all operational locations. Conuma developed and distributed a community newsletter in January 2020 that outlined the public comment period, open houses and process for submitting comments. This newsletter was publicly posted in the libraries and community centers in Tumbler Ridge and Chetwynd, and also distributed at community events that Conuma attended, printed and available at the community office and distributed electronically.

Public Comments Received

During the Public Comment Period, one public comment was received:

Steve Yanish, Tumbler Ridge

Date: February 18, 2020

Comment: As a user of the wildlife and natural resources in the Wolverine valley I am concerned with the mine expansion there will be a serious impact on the wildlife. When Conuma reopened the mine and began trucking product down the Wolverine FSR wildlife displaced from prime habitat along the river. It also became increasingly difficult to travel down the FSR. The valley has already suffered serious habitat loss from extensive logging operations. Further disturbance will negatively affect the wildlife, further reduce access and hinder hunters, trappers, fishermen, recreational users as well as those of us who make a living in the valley.

Conuma Response

Conuma recognizes there are challenges faced by non-industrial users of the Wolverine and Forest Service Road (FSR) and Mast Resource Road and would be interested in continuing to work with Mr. Yanish to address his access concerns.

Conuma has completed a detailed assessment of the effects of the Wolverine-Hermann Amendment Project (the Project) on wildlife. This assessment focuses on the effects of the Project on habitat availability, wildlife movement, wildlife mortality risk, and wildlife health, and includes consideration of the cumulative effects of past, present, and future activities and development on wildlife. The wildlife assessment is Section 3.10 of the Environmental Assessment (EA) for the Project, available on the British Columbia Environmental Assessment Office's web site. A comprehensive suite of mitigation measures to reduce the effects of the Project on wildlife are identified in Section 3.10; these measures will be detailed in the Project's Wildlife Management Plan.

Additionally, Conuma has completed a detailed assessment of the effects of the Project on land use. This assessment focuses on the effects of the Project on parks and protected areas, private property, and tenured and non-tenured land use; and, like wildlife, includes consideration of cumulative effects on land use. The land use assessment is Section 5.1 of the EA for the Project. Mitigation measure to reduce the effects of the Project on land use are identified in Section 5.1, these measures include development and implementation of a Public Engagement Plan to facilitate ongoing and meaningful engagement including communication of project information (e.g., location and timing of project activities), and monitoring, recording, and addressing of complaints and concerns.

Public Open House

Conuma co-hosted two open houses with the EAO in Tumbler Ridge and Chetwynd. Details were as follows:

Tumbler Ridge

Wednesday, February 5, 2020
5 p.m. – 8 p.m.
Trend Mountain Hotel
375 Southgate Street

Chetwynd

Thursday, February 6, 2020
5 p.m. – 8 p.m.
Chetwynd Recreation Centre
4552 North Access Road

Representatives from Conuma and technical specialists were present to answer any questions related to the Project. The EAO and Conuma provided posters and information on the EA Process and the Project. Community members, stakeholders and the public were encouraged to speak and ask questions to the EAO and Conuma.

Attending the open houses on behalf of Conuma were:

1. Peter Arendt, Vice President Regulatory and Environment, Conuma Coal Resources
2. Gene Tucker, Director of Engineering, Conuma Coal Resources
3. Sam Payment, Permitting and Exploration Coordinator, Conuma Coal Resources
4. Amanda Wamstecker, Environmental Manager, Conuma Coal Resources
5. Ali Naghibi, Senior Water Resources Engineer, Stantec
6. Lisa DeSandoli Regulatory Specialist, Stantec
7. Mario Bianchin, Principal Hydrogeologist, Manager Environmental Engineering and Containments, Wood
8. Jody Shimkus, CEO, Kirk Environmental
9. Katherine Laurence, Director Client Services, Kirk Environmental

A projection of the Hermann Map was on display, as well as three computers with access to the application. In addition, poster boards which contain baseline summaries, potential project effects and mitigation measures for all major areas will be provided. A sample of coal was also available.

Attendance at the open houses was limited, with 17 people attending in Tumbler Ridge and 2 people attending in Chetwynd.

The majority of attendees were Conuma employees who attended to support the Project, one city councilor Darryl Krakowka attended on behalf of the city. Local resident Jan Legaspi attended on behalf of her husband Gay Dyer and raised questions about the impacts to their trapline in the area. Conuma is continuing its work with affected tenures overlapped by the HDA. In Chetwynd a representative from WorkBC attended wanting to learn more about job opportunities.

Conuma developed a media plan and a security plan for the Open Houses.

Summary of Public Issues and Concerns Raised

Below is a summary of comments, issues and concerns raised by community members, stakeholders and the public during the Amendment Application Review period.

Stakeholder	Date Received	Source	Comment	Conuma Response
Attendees at Tumbler Ridge Open House	February 5, 2020	Open House	<ul style="list-style-type: none"> Economic benefits for local area Trapline impacts 	<ul style="list-style-type: none"> The Wolverine-Hermann Amendment Project will contribute significantly to the regional economy and if approved, will mean continued direct employment for over 300 employees and 1000 indirect jobs for families in the Peace River. Conuma will engage with holders of affected tenures overlapped by the HDA.
Attendees at Chetwynd Open House	February 6, 2020	Open House	<ul style="list-style-type: none"> Jobs for local residents 	<p>Conuma will also focus on local employment opportunities.</p> <p>Including:</p> <ul style="list-style-type: none"> Job opportunities will be advertised in local communities; On-site operator training will be provided for mine positions; and Training and apprenticeship programs for qualified local employees will be supported. Employees from the Wolverine Mine operations will be transferred from the Perry Creek Pit to the Hermann Pit.
Tumbler Ridge Mayor and Council	November, 2019 – January 2020	Presentation and emails	<ul style="list-style-type: none"> Job impacts Possible changes to the Mount Hermann trail 	<p>Conuma will work to develop local contract and business opportunities. For example, Conuma will:</p> <ul style="list-style-type: none"> Include local contractors and suppliers in its corporate database; Require bidders to disclose policies and practices for providing opportunities to local businesses and residents and encourage them to hire locally; and Develop work packages that consider the capacity and capabilities of local and regional businesses. <p>Access to the Mount Hermann trail will not be possible during the project due to the HDA.</p>

Stakeholder	Date Received	Source	Comment	Conuma Response
Chetwynd Mayor and Council	December, 2019 – January 2020	Presentation	<ul style="list-style-type: none"> • Economic impacts and survey results • General updates requested for other operations including Brule and Willow Creek 	<p>Conuma is making tremendous investment in equipment, community, and government/regulatory processes so we can go from coal lease tenures to permits. Understand that the community wants more information about Brule and Willow Creek in addition to Hermann; Conuma is sequencing the mining operations in a phased permit approach so we don't overwhelm the process</p>
Local Trap-line owners	October 2019	Emails	<ul style="list-style-type: none"> • Effects Project may have on trapline business 	<ul style="list-style-type: none"> • Conuma will engage with holders of affected tenures overlapped by the HDA.
Recreational users	December 2019 – February 2020	Emails	<ul style="list-style-type: none"> • Impacts on traffic and restrictions in access to hunting areas • Impacts on wildlife displacement and habitat loss as well as reduced access for hunters, trappers, fishermen, recreational users and those who make a living in the valley 	<ul style="list-style-type: none"> • Conuma developed a Traffic Management Plan to address Project related changes within the Hermann Disturbance Area (HDA) and along the Coal Haul Road. • Conuma will engage with holders of affected tenures overlapped by the HDA. • Mitigation measures for wildlife and vegetation have been developed using best practices and available guidelines and were refined based on input from regulatory agencies and Indigenous groups. • Fostering the return of appropriate self-sustaining forested ecosystems that provide wildlife habitat is an end land use objective of the Project's Reclamation Plan.

Socio-Community Survey

Conuma developed and administered a Project Socio-Community Survey in the summer of 2019 to understand and gain input on industry, lifestyle, and recreational values of workers, family members, other stakeholders and community members with respect to current and future operations at the Wolverine Mine. A total of 338 surveys were completed.

Through the Project Socio-Community Survey a number of interests were identified around lifestyle, and recreational values of workers, family members, other stakeholders and community members with respect to current and future operations at the Wolverine Mine.

In general survey results indicated local residents had positive feelings towards the project and economic opportunities and quality of life were top of mind for most respondents. Off road vehicle operation was also identified as a key recreational value in the area, which corresponds to other feedback received.

Summary of Results

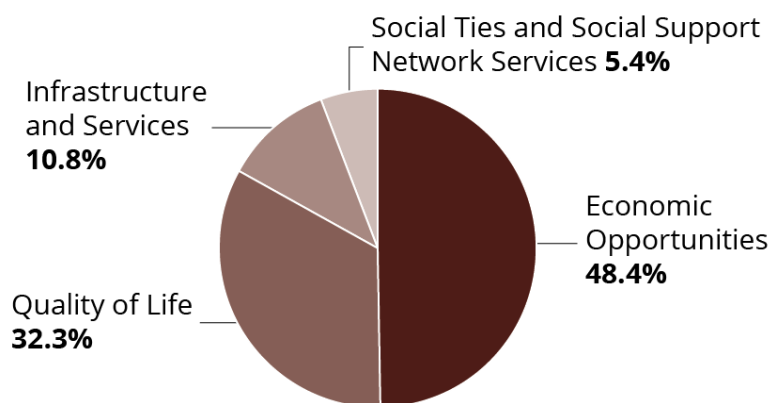
Lifestyles

- 90.9% (301 of 331 respondents) had positive feelings toward the Project.
- 75% (238 of 316 respondents) either agree or strongly agree with the statement “Tumbler Ridge is a great place to live and raise a family”.

The top things that attracted survey respondents to reside in Tumbler Ridge were:

- Employment opportunities
- Leisure and recreation services
- Available housing

Should the Project not be approved, the following aspects of Tumbler Ridge would be most negatively affected:



Recreational Values

Over 40% of respondents indicated that they or members of their household participated in consumptive land use in the past 12 months. When asked to rank the form of recreation that most attracts tourists to Tumbler Ridge, Project Socio-Community Survey respondents provided:

- 1st—Off Road Vehicle operation, motorcycling, and snowmobiling
- 2nd—Camping
- 3rd—Boating and canoeing
- 4th—Hunting, fishing, trapping
- 5th—Hiking or walking for leisure
- 6th—Exploring the TR Geopark
- 7th—Biking
- 8th—Skating or snowshoeing
- 9th—Golf
- 10th—Rock and/or ice climbing

Over 20% of respondents indicated they or members of their households engaged in off-road vehicle operation within the Wolverine-Hermann Amendment Project area and 11% of respondents indicated they or members of their households engaged in non-motorized trail use and camping within the Project site.

Next Steps and Conclusion

Following decisions by the statutory decision-makers regarding the issuance of Amendment #6 and permits under the *Mines Act*, the *Environmental Management Act* and other required provincial authorizations Conuma will continue to consult and engage with stakeholders and the public as the Project moves into the construction phase. Conuma remains committed to working collaboratively to build and maintain respectful relationships with community members, stakeholders and the public.

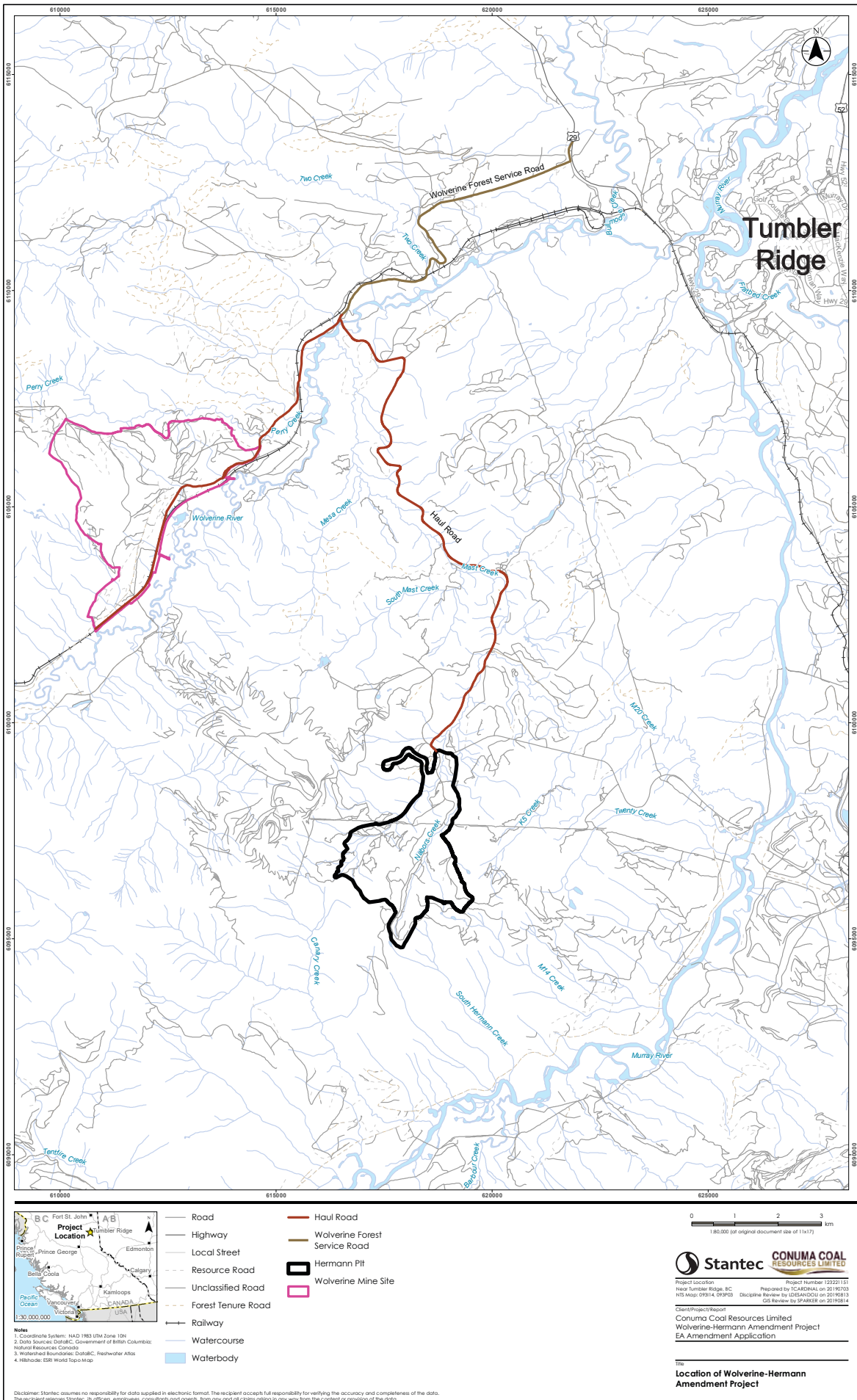
Conuma supports their local communities through direct initiatives and by hiring locally whenever possible, having employees based locally ensures positive contributors to the local community and economy.

Throughout this process Conuma is engaging with communities to ensure they are:

- Building awareness about the Wolverine-Hermann Amendment Project and the continued opportunities it provides;
- Gathering input and understanding the interests and concerns related to the project; and
- Refining and identifying where possible, mitigative measures to respond to issues raised by stakeholders.

Conuma values its partnerships with community members, stakeholders and the public and looks forward to its continued successful operation in the Peace River for years to come.

Figure 1: Project Location



Appendix A

Tenured Land Users with Interests Intersected by the Coal Haul Road or Overlapped by the HDA

Tenured Land User	Interests
3422534 Canada Inc.	<ul style="list-style-type: none"> One wind power investigative and monitoring phase license is overlapped by the HDA.
BC Hydro	<ul style="list-style-type: none"> One electric power line rights-of-way intersected by the Coal Haul Road.
Canadian Forest Products (Canfor)	<ul style="list-style-type: none"> Management responsibilities for forest roads intersecting and comprising the Coal Haul Road. License holder of Tree Farm License 48. The HDA overlaps three active cut blocks and three active cutting permits.
Canadian Natural Resources Ltd. (CNRL)	<ul style="list-style-type: none"> Management responsibilities for forest roads intersecting and comprising the Coal Haul Road. Nine petroleum and natural gas leases intersected by the Coal Haul Road. 11 petroleum and natural gas leases (eight jointly held with Imperial Oil) overlapped by the HDA. Five gas/oil pipeline rights-of-way and one licence of occupation are overlapped by the Coal Haul Road. Two drill sites/well sites and two gas/oil pipeline rights-of-way are overlapped by the HDA. One electric power line rights-of-way intersected by the Coal Haul Road. One license of occupation for quarrying – sand and gravel is intersected by the Coal Haul Road.
D. Ganson	<ul style="list-style-type: none"> One guide outfitter certificate area intersected by the coal haul road and overlapped by the HDA.
Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD)	<ul style="list-style-type: none"> Management responsibilities for forest Service Road comprising the Coal Haul Road.
HD Mining International Ltd.	<ul style="list-style-type: none"> One coal lease and eight coal licenses intersected by the Coal Haul Road.
Imperial Oil Resourced Ltd. (Imperial Oil)	<ul style="list-style-type: none"> Eight jointly held petroleum and natural gas leases with CNRL overlapped by the HDA.
J. Bassett	<ul style="list-style-type: none"> Management responsibilities for forest roads intersecting the Coal Haul Road.
Natural Forces Wind BC Inc.	<ul style="list-style-type: none"> One wind power investigative and monitoring phase license is overlapped by the HDA.
Peace River Coal Inc.	<ul style="list-style-type: none"> Three coal licenses intersected by the Coal Haul Road. One coal lease overlapped by the HDA.
S. Yanish	<ul style="list-style-type: none"> One guide outfitter certificate area intersected by the coal haul road and overlapped by the HDA.
Teck Resources	<ul style="list-style-type: none"> Management responsibilities for forest roads comprising the Coal Haul Road. One electric power line rights-of-way intersected by the Coal Haul Road. One coal lease overlapped by the HDA. One miscellaneous unity right-of-way overlapped by the HDA.
Trapline Number - TR0721T006	<ul style="list-style-type: none"> One trapline (TR0721T006) intersected by the Coal Haul Road and overlapped by the HDA.
West Fraser Mills Ltd.	<ul style="list-style-type: none"> Management responsibilities for forest roads intersecting the Coal Haul Road.



NEWSLETTER – WOLVERINE-HERMANN AMENDMENT PROJECT (JANUARY 2020)

UPDATE ON THE WOLVERINE-HERMANN AMENDMENT PROJECT

The Wolverine-Hermann Amendment Project is located approximately 25 km west of Tumbler Ridge. Conuma is planning on extending operations to the Hermann Pit which will in turn extend the life of the Wolverine Coal Processing Plant from 15 to 22 years. This project requires provincial permits to proceed.

The Wolverine-Hermann Amendment Project will contribute significantly to the regional economy and if approved, will mean continued direct employment for over 300 employees and 1000 indirect jobs for families in the Peace River.

On October 16, 2019 Conuma formally submitted their Environmental Assessment Certificate Amendment Application to the BC Assessment Office.

Conuma is now in the process of working collaboratively with regulators to respond to inquiries that are pertinent to the application. We are committed to providing the thorough and technical information required for successful permitting.

COMMUNITY AND INDIGENOUS INVOLVEMENT

Conuma values its partnerships with families, communities, and Indigenous communities. Currently our operations in the region produce more than 900 direct and 3000 indirect jobs for families in the Peace River.

We continue to work with community organizations and Indigenous groups to identify employment and contracting opportunities at our operations. Throughout this process we are engaging with communities and Indigenous groups.

PUBLIC COMMENT PERIOD

The BC Environmental Assessment Office (BCEAO) has set a 30-day public comment period on the Amendment Application, which will start on January 20, 2020 and end February 19, 2020.

All written comments received during this comment period in relation to the Amendment Application will be considered. In order to provide information about the Amendment Application, the public is invited to attend the following Open Houses:

Tumbler Ridge, B.C.
Wednesday, February 5, 2020
5 p.m. – 8 p.m.

Trend Mountain Hotel
375 Southgate Street

Chetwynd, B.C.
Thursday, February 6, 2020
5 p.m. – 8 p.m.

Chetwynd Recreation Centre
4552 North Access Road

For more information about how to submit comments and to view an electronic copy of the Amendment Application please visit projects.eao.gov.bc.ca.

NOTE: All submissions received by the EAO during the comment period in relation to the posted Project are considered public and will be posted to the EAO website.

Visit us at our community office in Tumbler Ridge, 235 Front St, Tumbler Ridge, BC V0C 2W0. Or check for project updates online at conumacoal.com.

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Call: **250-242-3764**

Conuma lays groundwork for Hermann move



Trent
The Perry Pit is running out of coal. This is not unexpected. Indeed, it is the nature of mining. At some point in time, you're going to run out of available/accessible coal in an area.

In the case of the Perry Pit, that day is expected to come in the next 18 months to two years.

As a result, Conuma is in the process of getting its permits for Hermann.

President John Schaden says that this is not something unique or special, but it's the process that all mines have to go through to operate.

"We are required to amend or extend our existing permits," says Schaden. "The Environmental Assessment Certificate is the first of those; we have been working diligently over the last several months on the application. On October 16 of this year we formally submitted our Environmental Assessment Certificate Amendment Application to the BC environmental assessment office."

At the same time, says Schaden, then mine is also applying for its Operational Permits: Mines Act Permit, the effluent permit and any licenses to cut down trees in advance of mining.

"So one of the unique things about this amendment application is we're looking at both the environmental assessment office review as well as the Ministry of Energy mines of petroleum resources review at the same time and a concurrent approach. Our application was submitted in that way, and our teams are set up to respond to any questions that come out of the government's initial review. We're already in the process of responding to the first batch of questions that have are their initial review of our applications. But we're doing this concurrently so that we can still maintain our timeline of late Q1/spring of next year for our approvals."

Of course, that's dependent on the government review. "It really comes down to the quality of our submission and the clarity and conciseness and relevancy of the questions that come back out of the different review teams. On the government side, there's the two departments as I mentioned: Environmental Assessment and the Mines Ministry. They have their sub-teams and subject matter experts within each of those, reviewing their respective pieces. Our job is to make sure that we are working collaboratively to make sure that the responses are relevant and pertinent to the application at hand to provide a thorough and technical review of our project."

Schaden is confident that Conuma will be able to field these questions and respond to them. "We are manned up to respond to the questions that come out of the government in a timely and thorough manner. You really never get certainty, but at least we have some predictability

in the time frame, and we're looking at spring for completion.

The Hermann Pit will not be a new mine, but an extension of the current mining operation, though located about 10 km as the crow flies from the current pit. "The coal seams exist right from Willow to Wolverine and beyond," says Schaden, "and we have licenses across this area. What you need is an Environmental Assessment Certificate and Mines Act Permits to actually physically mine in any region of them. Our licenses don't get permitted at once, they get permitted in chunks. So the Hermann amendment is just to continue to extend our EAC and include that into the mine. It's not a new project. It's not a different project. It's just a continuation on the Wolverine. Every mining operation has to do this. It is not unique to Hermann."

So, how disruptive will the transition be? Schaden says the plan is to transition gradually once the approvals are granted next spring. "Our plan is to have a continuous release of coal at the same rates that we produce today as we transition and wind down the existing Perry Creek operation and start transitioning our equipment and our resources over to the Hermann Pit. It's not like we're going to hire two fleets and two sets of organizations. It's going to be a measured and planned approach and transition, and as mining winds down at Perry Creek, mining will be ramping up at Hermann."

Schaden says this transition might take a year to a year and a half. "We are looking at a 12 to 18 month period on the overlap from when we fully decommission or have moved out of the current Perry Creek operation. It's based on sales and timing and ground conditions and stuff like that, but that's probably a good window on what that transition is going to look like."

While the new pit on Hermann will be 10 km away as the crow flies, it's a little longer by road. What road that is, though, has yet to be determined. One of the big decisions they are still looking at is whether they are going to build a new haul road down to rail load out, or utilize the existing Mast Creek Road.

Other infrastructure needed, Schaden says, include sedimentation ponds to capture surface water that is generated through rain, snow melt or through mining. "We'll also have biochemical reactors for Selenium treatment of the water if required. Going forward, so that's probably the largest chunk of the infrastructure required."

He says getting the Hermann pit up and running will take the company longer than it took to get the previous mines up and running because for those, everything was already in place. All Conuma had to do was take over the keys. For Hermann, they have to get their Environmental and operational certificates, but he doesn't foresee any issues with that.

"Herman is an example of the continued future and sustainability of our operation," he says.

"Without permitted reserves, a coal mine doesn't exist. With the current drop in the price and the market pressures that are going on right now—which we hope is temporary and there's going to be a rebound—we have to retrench on our capital spending. So we have taken the past several weeks to do a thorough review of the spending, But we recognize that maintaining the regulatory process on Hermann, and moving forward with future amendment application is important, and that we don't let off the gas pedal on moving those forward."

Tumbler RidgeLines

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Letters to the editor, articles and photographs are appreciated, but may be edited for length and content. Probably best to contact us before submitting articles, though, just in case we're already working on something.

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